



Comments of Wind on the Wires to the Department of Commerce Division of Energy Resources regarding Distributed Generation

On behalf of our members, Wind on the Wires (WOW) is grateful to have the opportunity to comment on the stakeholder process currently underway at the Minnesota Department of Commerce (the “Department”) to encourage distributed generation (DG). WOW is supportive of efforts to increase renewable electric generation and offers the following suggestions for the Department of Commerce as it considers how to move forward.

1. WOW believes expanded DG should not replace renewable generation that will already occur under Minnesota’s Renewable Energy Standard and therefore asks the Department to consider options for DG beyond the current Renewable Energy Standard or that require carbon emitting retirements to be made up by DG generation.
2. WOW recommends that the Department start by determining an immediate and achievable goal for DG. For example, if the Department finds that statewide 100MW of DG is achievable within five years the stakeholder process should specifically focus on what statutory, regulatory, and legislative changes, such as third party ownership or streamlining interconnection requirements, need to be accomplished to make this happen.
3. WOW suggests the Department start a workgroup of qualified experts to develop policy options that strengthen Minnesota’s Net Metering rules while addressing utilities’ concerns about controlling costs and minimizing ratepayer impacts. Many other states have successfully increased the development of DG net metered systems by raising the maximum size of these systems, allowing meter aggregation and third party financing, while focusing on true net metered generation via rolling crediting for net generation rather than cash payouts. If Net Metering is not the agreed upon policy option, WOW recommends that additional work be done quickly to determine what policies (i.e. “Buy All/Sell All”) achieve state DG goals most effectively.
4. WOW recommends the Department streamline the various state and utility programs into one new statewide DG policy that is easily accessible and understandable by customers.
5. WOW recommends that the Department thoroughly consider and develop a workable and effective DG policy. WOW also encourages the Department to continue to move forward on regulatory and rule based changes to DG policy that do not necessitate legislative action.

6. WOW asks the Department to consider taking the opportunity to address wider renewable energy issues that have come up since the passage of the 2007 Next Generation Energy Act. Taking the full opportunity to flesh out policies that advance the entire renewable energy sector should be considered.

WOW believes DG represents additional important generation resources that need to be encouraged in Minnesota. Over the past three decades Minnesota has been a leader on renewable generation and conservation, and expansion of Minnesota's DG rules will maintain the state's place as a leader on all levels of renewable energies.

Sincerely,

Joseph Sullivan
Regional Policy Manager-West
Wind on the Wires